

# Alberta Economy

## Indicators at a Glance

### Real GDP by Industry

In 2013, Alberta's real GDP by industry grew by 3.9%, the third-strongest growth rate among the provinces and the fourth consecutive year of robust growth. Nationally, real GDP rose 2.0% in 2013, a slight improvement over 2012.

### Population

As of July 1, 2014 Alberta's population was estimated at 4,121,692, a 2.9% increase from one year prior. Nationally, population grew 1.1% from a year ago.

### Migration

Total net migration to Alberta was 25,757 in the second quarter of 2014. Alberta added 12,553 international migrants and 13,204 interprovincial migrants.

### Employment<sup>1</sup>

In September, 21,200 more jobs were created Alberta, 2.4% more than a year ago. Alberta has added 54,200 jobs over the last twelve months, the most jobs added among the provinces.

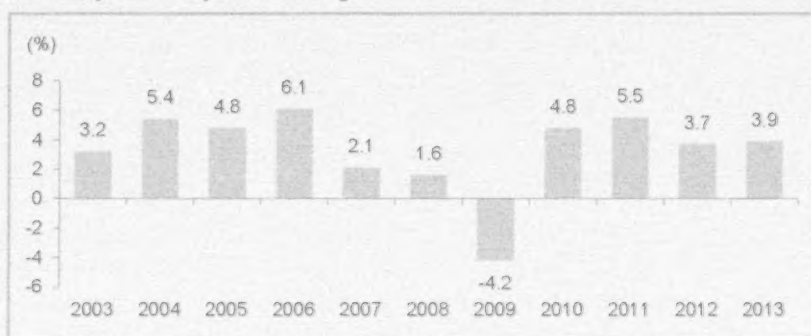
### Unemployment<sup>1</sup>

Alberta's unemployment rate decreased by 0.5 percentage points to 4.4% in September, reversing last months increase. Alberta has the second lowest unemployment rate in the country.

### Rigs Drilling

The average number of active rigs in Alberta was 278 in September, a 10.9% increase from a year prior. Rig activity is up 7.5% year-to-date.

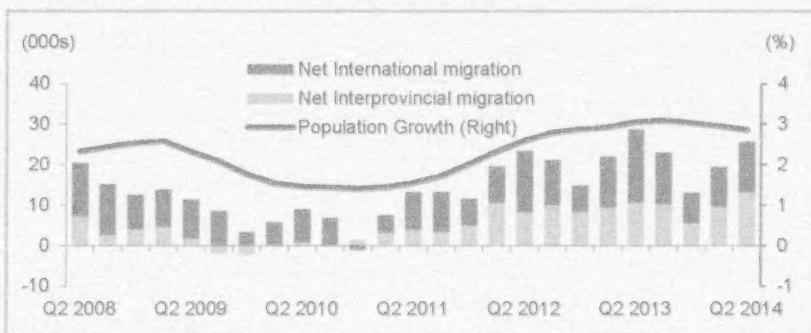
Real GDP by Industry (Basic Prices)  
Annual, year-over-year % change



Source: Statistics Canada

### Demographics

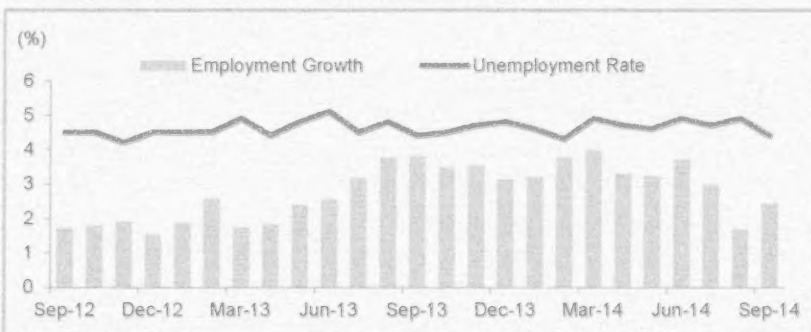
Quarterly, population is year-over-year % change



Source: Statistics Canada

### Labour Market

Monthly, employment is year-over-year % change



Source: Statistics Canada

## Inflation

Consumer Price Index (CPI) Inflation remained unchanged at 2.6% in September. Shelter inflation is still high at 3.4%, lifting inflation.

## Average Weekly Earnings<sup>1</sup>

Average Weekly Earnings (AWE) reached \$1,153.81 in July, a 0.3% increase from June and 4.8% from July 2013. National average weekly earnings increased 0.4% from June to \$940.43.

## Retail Sales<sup>1</sup>

Retail sales totaled \$6.6 billion in July up 8.9% year over year. Growth was broadbased among retailers, with significant growth from sales at gasoline stations (17.7%), and motor vehicles and parts dealers (12.9%).

## Housing Starts

The number of housing starts in September was 47,105 Seasonally Adjusted at Annual Rate (SAAR), 50.7% more than a year ago. Year-to-date, starts are up 18.0%.

## New Housing Price Index

The New Housing Price Index in Alberta increased 3.2% y/y in August, with Calgary house prices increasing 6.8%, while Edmonton slid 0.1% lower.

## Building Permits<sup>1</sup>

The total value of building permits increased 31.4% y/y in August to \$1.8 billion. Residential permits led growth, up 34.4%, while non-residential permits increased 27.3%.

<sup>1</sup> Seasonally adjusted

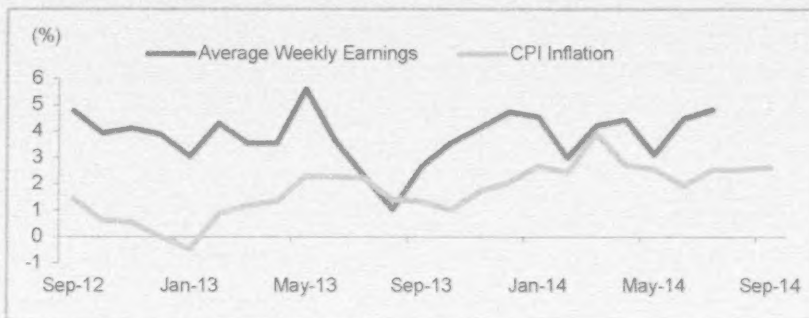
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## Inflation and Earnings

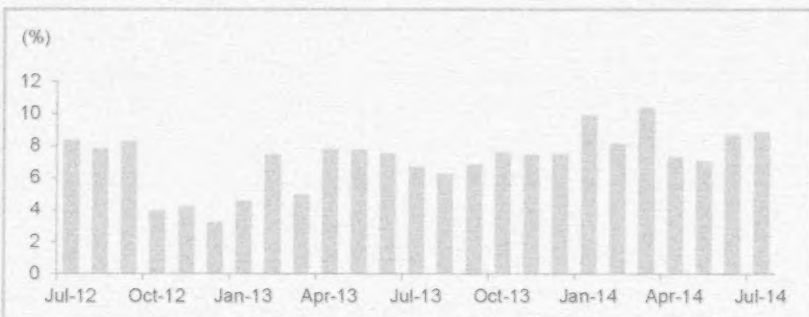
Monthly, CPI and AWE, year-over-year % change



Source: Statistics Canada

## Retail Sales

Monthly, year-over-year % change



Source: Statistics Canada

## Housing Market

Monthly

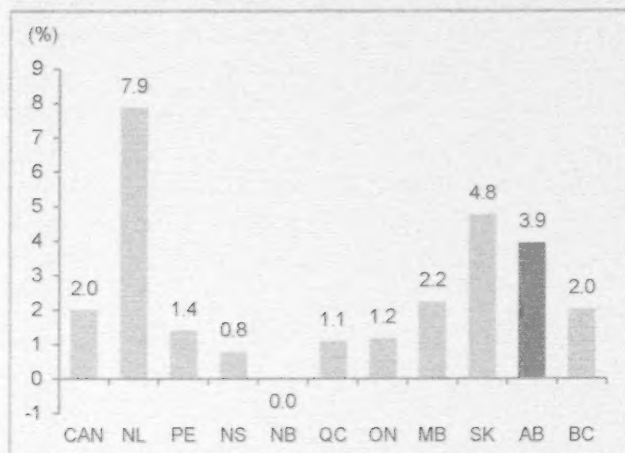


Source: Statistics Canada

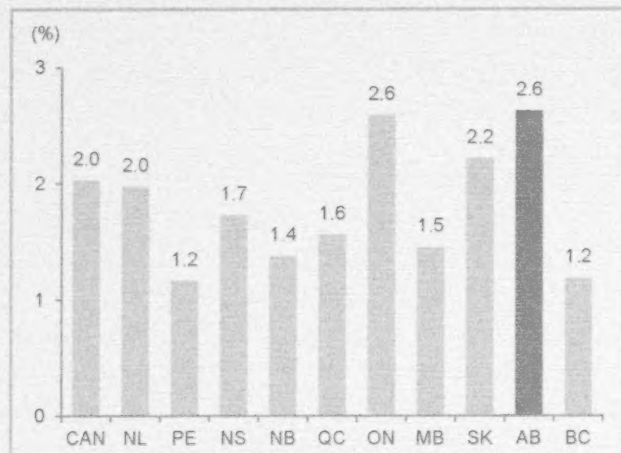
|                           | Canadian Dollar<br>(US\$/CAN) | WTI Oil (\$US/bbl) | NYMEX Natural Gas<br>(\$US/MMBtu) | Alberta Reference<br>Price (\$C/GJ) |
|---------------------------|-------------------------------|--------------------|-----------------------------------|-------------------------------------|
| Latest (October 16, 2014) | 88.76                         | 82.70              | 3.77                              | 3.98 (July)                         |
| Fiscal year-to-date       | 91.57                         | 98.85              | 4.23                              | 4.14                                |

Please see the [Weekly Economic Review](#) for current analysis on the Alberta economy.

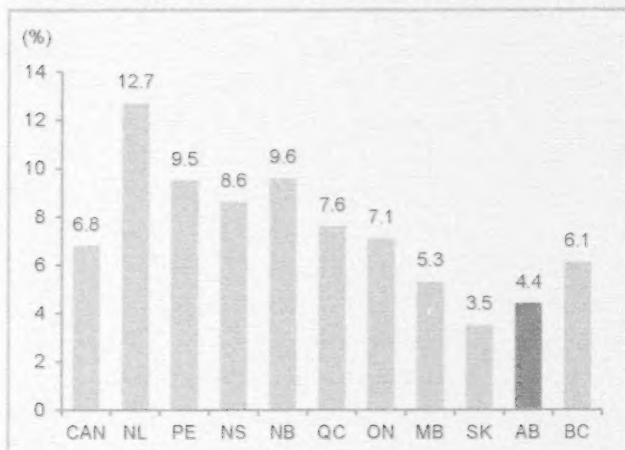
**Real GDP by Industry (Basic Prices)**  
(2013, year-over-year growth)



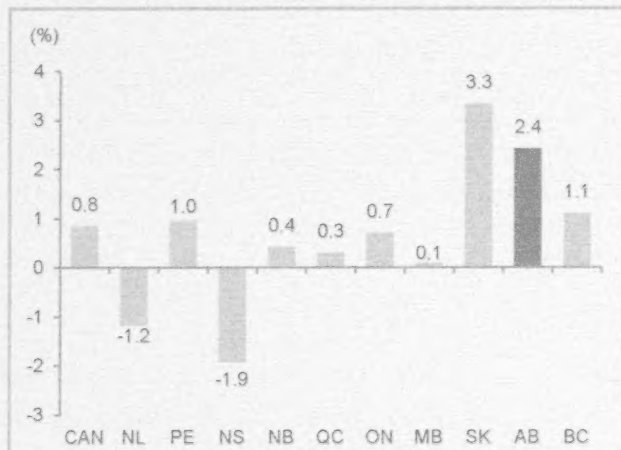
**CPI Inflation**  
(September 2014, year-over-year growth)



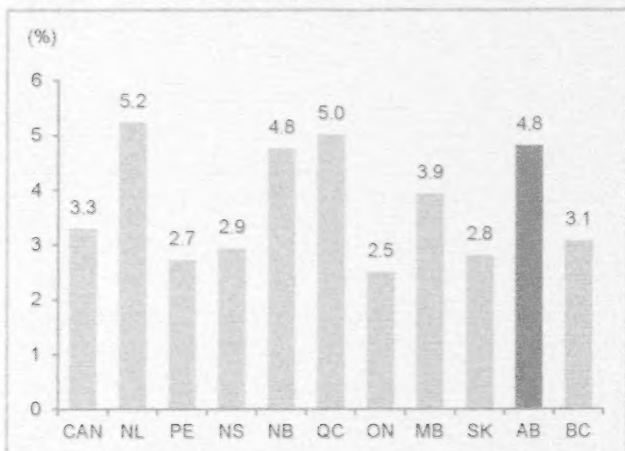
**Unemployment Rate**  
(September 2014, year-over-year growth)



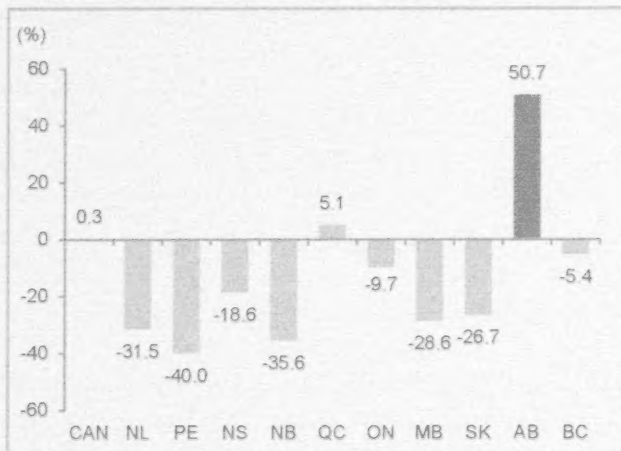
**Employment**  
(September 2014, year-over-year growth)



**Average Weekly Earnings**  
(July 2014, year-over-year growth)



**Housing Starts**  
(August 2014, SAAR, year-over-year growth)



# Alberta Economic Indicators

| Population <sup>1</sup>                             | 2012     | 2013     | 2014YTD  | Apr-14   | May-14   | Jun-14   | Jul-14   | Aug-14 | Sep-14 |
|-----------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|--------|--------|
| Population (thousands)                              | 3,889    | 4,007    | 4,122    | 4,087    |          |          | 4,122    |        |        |
| y/y % change                                        | 2.6      | 3.0      | 2.9      | 3.0      |          |          | 2.9      |        |        |
| Net Interprovincial Migration                       | 27,653   | 38,598   | 38,717   | 9,581    |          |          | 13,204   |        |        |
| Net International Migration                         | 40,043   | 48,116   | 42,475   | 9,745    |          |          | 12,563   |        |        |
| <b>Labour Market</b>                                |          |          |          |          |          |          |          |        |        |
| Employment (thousands, SA)                          | 2,150    | 2,211    | 2,270    | 2,258    | 2,275    | 2,284    | 2,263    | 2,269  | 2,290  |
| m/m change (thousands)                              |          |          |          | -2.9     | 16.4     | 9.4      | -1.5     | 13.4   | 21.2   |
| y/y % change                                        | 2.7      | 2.9      | 3.1      | 3.3      | 3.2      | 3.7      | 3.0      | 1.7    | 2.4    |
| Unemployment Rate (% SA)                            | 4.6      | 4.6      | 4.7      | 4.7      | 4.6      | 4.9      | 4.7      | 4.9    | 4.4    |
| Participation Rate (% SA)                           | 73.4     | 73.1     | 72.9     | 72.8     | 73.0     | 73.2     | 72.8     | 72.4   | 72.5   |
| Average Weekly Earnings (\$ SA)                     | 1,070.31 | 1,107.75 | 1,141.84 | 1,143.28 | 1,150.81 | 1,150.30 | 1,153.81 |        |        |
| y/y % change                                        | 3.5      | 3.5      | 4.1      | 4.4      | 3.1      | 4.5      | 4.8      |        |        |
| <b>Household Sector</b>                             |          |          |          |          |          |          |          |        |        |
| Retail Sales (\$ million, SA)                       | 68,408   | 73,109   | 45,655   | 6,473    | 6,520    | 6,626    | 6,644    |        |        |
| y/y % change                                        | 7.0      | 6.9      | 8.6      | 7.3      | 7.0      | 8.7      | 8.9      |        |        |
| New Vehicle Sales (units, thousands)                | 248      | 263      | 185      | 24.5     | 26.7     | 25.6     | 26.7     | 25.0   |        |
| y/y % change                                        | 10.5     | 6.2      | 3.6      | 0.6      | 0.8      | 5.4      | 16.7     | 6.0    |        |
| Consumer Price Index (y/y % change)                 | 1.1      | 1.4      | 2.7      | 2.7      | 2.5      | 1.9      | 2.5      | 2.6    | 2.6    |
| Excluding Food & Energy                             | 1.3      | 1.4      | 2.4      | 2.6      | 2.5      | 2.6      | 2.3      | 2.7    | 2.7    |
| Housing Starts (SAAR, 000's)                        | 33.4     | 36.0     | 41.2     | 39.9     | 33.8     | 54.0     | 37.5     | 44.2   | 47.1   |
| y/y % change                                        | 29.9     | 7.8      | 18.0     | 0.9      | -20.0    | 41.9     | 5.1      | 50.5   | 50.7   |
| New Housing Price Index (y/y % change)              | 1.3      | 2.8      | 3.4      | 3.4      | 3.6      | 3.4      | 3.3      | 3.2    |        |
| Resale Home Sales                                   | 60,369   | 66,080   | 53,466   | 5,982    | 6,211    | 6,099    | 6,021    | 6,305  | 6,110  |
| y/y % change                                        | 12.3     | 9.5      | 8.2      | 12.8     | 14.7     | 7.7      | 5.6      | 6.9    | 3.6    |
| Sales to New Listing Ratio                          | 0.59     | 0.64     | 0.65     | 0.65     | 0.66     | 0.64     | 0.64     | 0.66   | 0.66   |
| MLS Average Resale Prices (\$ thousands)            | 362      | 380      | 398      | 391      | 395      | 398      | 397      | 403    | 403    |
| y/y % change                                        | 2.6      | 5.0      | 5.3      | 4.2      | 5.2      | 5.4      | 4.9      | 3.8    | 5.2    |
| Consumer Bankruptcies (level)                       | 5,759    | 4,684    | 2,354    | 367      | 369      | 329      | 296      |        |        |
| y/y % change                                        | -18.1    | -18.6    | -19.7    | 20.9     | 15.0     | -12.3    | -23.1    |        |        |
| <b>Business Sector</b>                              |          |          |          |          |          |          |          |        |        |
| Goods Exports (customs based, \$ million)           | 95,873   | 103,639  | 80,831   | 10,356   | 10,123   | 9,734    | 10,273   | 9,654  |        |
| y/y % change                                        | 2.8      | 8.1      | 19.6     | 25.2     | 16.5     | 25.9     | 17.3     | 13.1   |        |
| Energy Products (\$ million)                        | 68,072   | 76,340   | 60,518   | 7,613    | 7,322    | 7,135    | 7,726    | 7,105  |        |
| y/y % change                                        | 3.6      | 11.2     | 22.5     | 29.5     | 17.6     | 26.5     | 17.4     | 11.1   |        |
| Agricultural Products (\$ million)                  | 6,795    | 6,182    | 4,823    | 666      | 720      | 664      | 606      | 642    |        |
| y/y % change                                        | -20.6    | -9.0     | -21.3    | 16.4     | 21.2     | 96.3     | 44.4     | 71.4   |        |
| Rigs Drilling                                       | 260      | 235      | 250      | 143      | 115      | 150      | 229      | 254    | 276    |
| y/y % change                                        | -12.6    | -5.9     | 7.4      | 23.9     | 29.7     | 29.7     | 22.7     | 6.5    | 10.9   |
| Manufacturing Shipments (\$ million)                | 71,675   | 73,793   | 53,101   | 6,536    | 6,576    | 6,928    | 6,872    | 6,679  |        |
| y/y % change                                        | -2.6     | 3.0      | 8.9      | 9.8      | 7.9      | 13.6     | 9.8      | 4.8    |        |
| Wholesale Trade (\$ million)                        | 76,841   | 76,605   | 48,681   | 6,963    | 6,970    | 7,140    | 7,129    |        |        |
| y/y % change                                        | 10.8     | 2.3      | -7.0     | 8.0      | 6.9      | 10.6     | 6.5      |        |        |
| Building Permits (\$ million, SA)                   | 14,663   | 17,262   | 12,160   | 1,342    | 1,518    | 1,716    | 1,724    | 1,771  |        |
| y/y % change                                        | 14.8     | 17.7     | 6.0      | 9.3      | 7.5      | 25.6     | 5.1      | 31.4   |        |
| Residential Permits (\$ million, SA)                | 8,287    | 9,859    | 7,051    | 801      | 860      | 855      | 917      | 1,044  |        |
| y/y % change                                        | 18.2     | 19.0     | 13.7     | 7.4      | 1.1      | 13.2     | 12.3     | 34.4   |        |
| Non-Residential Permits (\$ million, SA)            | 6,376    | 7,403    | 5,109    | 540      | 658      | 861      | 807      | 727    |        |
| y/y % change                                        | 10.7     | 16.1     | -3.0     | 26.3     | 17.3     | 41.0     | -2.1     | 27.3   |        |
| Non-Res. Building Cons. Price Index* (y/y % change) | 1.8      | 1.2      | 1.9      |          |          | 2.0      |          |        |        |
| Business Bankruptcies                               | 230      | 137      | 56       | 9        | 13       | 3        | 7        |        |        |
| y/y % change                                        | -12.9    | -40.4    | -30.6    | 40.0     | 18.2     | -66.7    | 22.2     |        |        |

<sup>1</sup> Quarterly; annual numbers are presented on a census year basis (July 1 - June 30)

<sup>2</sup> Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate

Sources: All data are from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy)

All historical data are subject to revision